



# An Introduction to IT Industry Analysts

The information technology industry has something in common with the movie industry in that there are plenty of people giving their opinions and analysis of the latest happenings. Movie critics perform research (watch movies) and write reports on their findings (movie reviews) so that we, as movie consumers, will shell out our hard earned dollars on a worthy and entertaining cinematic delight. The critics often predict who the up-and-coming stars will be, and some movie goers eagerly consume their predictions.

Likewise, there are many information technology (IT) analysts who watch the major players and report on the latest IT happenings - in fact these analysts make around \$1 billion annually from two sources. Analysts do their research and sell their expertise to *IT consumers* wanting to invest in the most worthy technology. But analysts also sell their research and analysis (including predictions of technologies most likely to succeed) to the *vendors* of information technology. And just as movie goers recognize the names Siskel & Ebert, a number of IT analysts have gained name recognition in their field.

## Analysts You Should Know

Most everyone involved in the computer industry has heard of the Gartner Group or Patricia Seybold. There are probably a dozen names that have become familiar to you. Here are a handful of names along with some information about their specialties and offerings:

- **Gartner Group, Inc.** - Certainly one of the largest and best-known firms with over 400 analysts in 75 offices worldwide. Gartner Group provides research and analysis of significant industry developments and trends, and packages their analyses into subscription-based products called personal advisor services. Gartner Group also provides consulting services, training, and conferences to help clients make IT-related decisions.



- **International Data Corporation (IDC)** - The name speaks for itself... if you've seen graphs on the IT industry - whether market share pie charts or bar charts showing predicted growth in some IT sector, chances are good that the data came from IDC. The IDC has over 300 research analysts in 40 countries who analyze vendors, assess technology, perform user surveys and interpret market trends. IDC and its subsidiary IDC/LINK provide major market reports, bulletins and fax flashes in addition to consulting services. IDC is a subsidiary of International Data Group, whose publications include Computerworld, Macworld, PC World, Network World, CIO and 275 other publications in 75 countries.
- **Aberdeen Group** - A Boston-based company providing market research, analysis and consulting services. Aberdeen helps IT users develop information architectures and roadmaps as well as helping them evaluate IT suppliers. For the IT vendors, Aberdeen provides information on user buying behaviors, technology trends and training for field organizations. Its publications include a number of reports on industry events and trends, appraisals of companies and their products, and buying guides.
- **Patricia Seybold Group** - Another Boston-based firm, the Seybold Group provides research, consulting and information services to both end users and vendors of information technology. Its services include on-line interactive, electronic services, technology-specific publications, case studies, IT Architecture Roadmaps, and customized consulting services. Seybold provides a monthly newsletter called *Snapshots* as well as monthly publications on emerging technologies including *Workgroup Computing Report*, *Open Information Systems*, and *Distributed Computing Monitor*.
- **D. H. Brown Associates, Inc.** - A research and consulting firm that differentiates itself by concentrating on product research in terms of process features and functions. They direct most of their efforts toward evaluating how well product offerings and underlying technologies satisfy end-user needs. D.H. Brown's services include:
  - Product and Technology Evaluation Programs (PTEP)
  - Education and Training
  - Multi-Client Studies
  - Custom Research
  - Best Practices Implementations

You may ask if analysts really provide a necessary function in the IT industry, considering that much of the information we pay for goes beyond hard data - it's analysis and opinions. And you can't help but wonder if analysts wouldn't be inclined to report more favorably on the vendors that pay them the most as their clients. But unless you have the luxury of full-time researchers on staff, you can't expect to keep up with complex technology that moves more quickly every year. So chances are you'll need to pay for that expertise externally. Just as savvy movie consumers get to know the critics whose opinions they can trust, IT consumers and vendors can watch a number of analysts over time and gain a measure of confidence in the information they provide.

## Key Points to Remember

- There are many analysts who watch the IT industry.
- Key services are research, analysis, publications, training and consulting.
- Analysts' advice is often based on opinion, so the savvy IT consumer should get multiple analyst perspectives if possible, keep up with relevant issues in the press, and use the web for analyst's report summaries.